

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:

03-08

2. STATE

NC

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

September 1, 2003

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

Social Security Act §1931

7. FEDERAL BUDGET IMPACT:

a. FFY 2004 (\$ 832,902)

b. FFY 2005 (\$ 42,856,989)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Supplement 12 to Attachment 2.6-A, page 2

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Supplement 12 to Attachment 2.6-A, page 2

10. SUBJECT OF AMENDMENT:

Elimination of 12 month earned income disregard for individuals covered under §1931 of the Social Security Act

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED: Not Required

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Carmen Hooker Odom

13. TYPED NAME:

Carmen Hooker Odom

14. TITLE:

Secretary

15. DATE SUBMITTED:

7/31/03

16. RETURN TO:

Office of the Secretary
Department of Health and Human Services
2001 Mail Service Center
Raleigh, North Carolina 27699-2001

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

August 14, 2003

18. DATE APPROVED:

September 26, 2003

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

September 1, 2003

21. TYPED NAME:

Rhonda R. Cottrell

20. SIGNATURE OF REGIONAL OFFICIAL:

Rhonda R. Cottrell

22. TITLE: Associate Regional Administrator
Division of Medicaid & Children's Health

23. REMARKS:

This should be submitted to CMS in August to meet the maintenance of effort requirements for increased FMAP contained in P.L. 108-27 (The Jobs & Growth Tax Relief Reconciliation Act of 2003).

x The agency uses less restrictive income and/or resource methodologies than those in effect as of July 16, 1996, as follows:

1. Disregards the first \$2,000.00 of otherwise countable resources for applicants and recipients.
2. Disregards the value of one motor vehicle per adult in addition to disregard of \$2,000.00 of otherwise countable resources.
3. Disregards the value of real property,
4. Disregards trust funds, burial contracts and retirement accounts.
5. For budgeting purposes, prorates contract income over the period of time the contract is intended to cover. In cases where this methodology gives a more restrictive outcome than the July 16, 1996 methodology, the July 16, 1996 methodology is used.
6. Exclude all cash assistance payments made under the State TANF plan.
7. Disregards 100% of earnings for 3 months, for applicants and recipients who begin a permanent job where they will work at least 20 hours per week.
8. Disregards 27.5% of the caretaker relative's earned income. If this disregard results in a more restrictive outcome than the July 1, 1996 methodology, the July 1996 methodology will be applied.
9. Disregards the value of food not eaten by a case member who is temporarily absent from the home.

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

1. Resource limit of \$1000.00 regardless of family size. No otherwise countable resources may be disregarded.
2. Disregards \$1,500.00 equity value of one vehicle.
3. Counts the value of real property.
4. Counts the value of trust funds, revocable burial contracts and retirement accounts if the retirement funds can be withdrawn in an lump sum.
5. Contract income budgeted using base period of one month.
6. Item 8, above, replaces a methodology that disregards \$90 from the earned income of any member of the case plus costs for child/incapacitated adult care up to \$200 for child under 2 and \$175 for each child age 2 and over and incapacitated adult.
7. Item 9, above, replaces a methodology that counts as income the value of food not eaten by a case member who is temporarily absent from the home.

TN No. 03-08
Supersedes
TN No. 00-09

Approval Date 09/26/03

Effective Date: 09/01/2003